

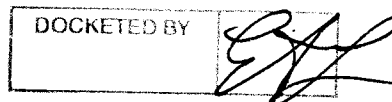
14 November 2014

Arizona Corporation Commission
Docket Control Center
1200 West Washington Street
Phoenix, AZ 85007

Arizona Corporation Commission

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AZ CORP COMMISSION
DOCKET CONTROL

Subject: Docket No. E-00000XX-13-0214, to criticize the Commission's proposed
elimination of Arizona's Energy Efficiency Standard

Dear Chairman Stump and Commissioners,

Energy efficiency standards are essential to Arizonans' economic security. The current standards are a vital part of the state's energy portfolio.ⁱ They incentivize utilities to cut out consumer-generated energy waste and actively manage peak periods of consumer demand.ⁱⁱ The electricity standard promotes economic growth and controls energy load growth. It protects ratepayers from unnecessary charges for new utility plants and expensive fuels or power purchased outside Arizona. It lowers ratepayers' monthly bills ⁱⁱⁱ and allows them to spend more on energy-saving goods and services.

Cutting energy waste is a vision that speaks to everybody because wasted energy costs everybody money. If the Commission votes to cut out Arizona's Energy Efficiency Standard instead, many households and small businesses will lose meaningful access to products and technologies that help us use energy carefully. It is also unfair to treat saved energy as a typical capital asset, as the Commission proposes to do.ⁱⁱ Consumer-generated energy savings derive from the idling of utility-controlled energy sources and capital assets by the behavioral choices of consumers. It makes no sense to charge ratepayers for the resource they generate through their conservation efforts and/or purchase of efficient products.

The Corporation Commission conducted its own extensive fact-finding in 2010 to explore the future benefits and costs of Arizona's new electricity efficiency standard.ⁱⁱ Final rules stated that implementation of the standard was expected to produce more than twice the total energy savings when compared with the business-as-usual scenario. And in fact, last year's customers of Arizona Public Service and Tucson Electric Power saved an enormous amount, \$77 million, because of the electricity standard.ⁱⁱⁱ

Without the energy efficiency standard, it will be hard to keep electric utility rates in the lower half the Southwestern retail market and annual rate changes below 2%. That will make it harder for Arizona companies and cities to compete with regions that use demand-side management, energy efficiency, renewable and natural gas resources to achieve low-cost energy from local resources.^{iv}

And without Commission leadership, Arizona's economy won't compete in emerging regional markets with energy efficiency policies to lower ratepayer costs and raise private-sector investment. Energy efficiency standards are essential to Arizonans' economic security. Arizonans want to compete in the new energy economy. That's the economy where cutting out energy waste cuts down everybody's energy bill.

Sincerely, Jan C Bush, AICP
6411 S River Drive, Unit 68, Tempe, AZ 85283

A handwritten signature in dark ink, appearing to read "Jan Bush".

ORIGINAL

ⁱ Arizona Department of Environmental Quality, State of the Arizona Energy System, slide 28. Presented 9/03/2014 and available at <http://www.azdeq.gov/environ/air/stakeholder.html>.

ⁱⁱ *Final ACC Policy Statement Regarding Utility Disincentives to Energy Efficiency and Decoupled Rate Structures*, 12/29/2010 at <http://images.edocket.azcc.gov/docketpdf/0000121666.pdf>. Docket Nos. E-00000J-08-0314 and G-00000C-08-0314. Very good discussion of utility disincentives to control customer demand on page 2; proposal to treat saved energy as a typical utility capital asset on page 9; discussion of components of ratepayer savings through energy efficiency on page 20; quote on size of ratepayer savings at page 26.

ⁱⁱⁱ Southwest Energy Efficiency Project, Factsheet on Arizona Corporation Commission Proposal to Eliminate State's Energy Efficiency Standards, November 2014, at http://www.swenergy.org/news/news/documents/file/SWEEP_EEStandardElimination_Factsheet.pdf

^{iv} See for example, City of Austin, TX, *Austin Energy Resource, Generation and Climate Protection Plan to 2020* at austinenergy.com.